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CENTRAL INTELLIGENCE AGENCY
INFORMATION FROM
FOREIGN DOCUMENTS OR RADIO BROADCASTS

REPORT
CD NO.

50X1-HUM

COUNTRY Soviet Zone Germany

SUBJECT Economic - Chemical industry

HOW PUBLISHED Weekly periodical

WHERE PUBLISHED Berlin

DATE PUBLISHED Feb 1950

LANGUAGE German

DATE OF INFORMATION 1950

DATE DIST. 22 Aug 1950

NO. OF PAGES 3

SUPPLEMENT TO REPORT NO.

THIS IS UNEVALUATED INFORMATION

SOURCE Export Echo, No 7, 1950.

EXPANSION OF THE EAST GERMAN CHEMICAL INDUSTRY

In the years immediately preceding World War II, chemicals, valued at an average of 750 million Reichsmarks per year, constituted nearly 18 percent of total German exports. Today, the German chemical industry, while hardly in a position to compete with these figures, has again become an important source for international requirements.

The 1950 plan of the German Democratic Republic provides for the development of chemical plants to increase production and exports. Moreover, considerable funds have been set aside for research. In 1949, the various plants comprising the Association of People-Owned Chemical Enterprises booked as much export business as the numerous medium-sized and small private plants which turn out special products bearing well-known trademarks.

Increased production by many chemical plants, including those of the German potash industry, about two thirds of which are located in the Soviet Zone of Germany, has made expansion of exports possible. Potassium salts produced in East Germany have been shipped to Poland, Czechoslovakia, and the Scandinavian countries during 1949. Recently China has been added to the list of foreign consumers. Planned increases in the output of nitrogenous fertilizers will not only cover domestic requirements but will permit exports.

The economic plan places heavy emphasis on the production of sulfuric acid to assure adequate quantities for the synthetic fiber and other industries. Experiments conducted in this field may lead to a considerable conservation of raw materials, as demonstrated by a process for producing a fertilizing agent made of calcined phosphate without the use of sulfuric acid.

Another indication of further development of the chemical industry in the Soviet Zone is the expansion of sebacic acid production. Measures adopted recently, in this connection, might prove of great significance for exports. New installations for the mass production of synthetic sebacic acid have been set up in Freital near Dresden. The Sapotex Association of People-Owned Enterprises, which includes the Persil plant in Genthin, is making increasing use of paraffin oxidation and produces new types of cleansing agents with a mersolate base.

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Principal chemical plants in East Germany are the Leuna Works, the Wolfen film factory, and the Buna Chemical Works. The latter manufactures not only nitrogen and motor fuel but photographic materials, Igelit, and synthetic rubber. The Leuna plant is planning to increase its production of lacquers and paints, polishes, soaps, and improved Perlon products. A preparation for treating wood and a binding agent which is a substitute for Portland cement are recent discoveries. The photographic chemicals industry in Central Germany is producing film and photographic materials which meet exacting requirements of modern photography. A mounting supply of available raw materials, such as gelatin, etc., is responsible for the increased output.

Plants affiliated with the Association of People-Owned Carbon Products have concluded trade agreements with the Netherlands, Sweden, Poland, Finland, and Denmark, for shipments of montan wax, test benzine [a turpentine substitute], phenol, etc., during the current year.

East Germany's pharmaceutical industry is rapidly resuming its role as supplier in foreign markers. Productive capacities have been expanded, and quality is being improved constantly. Expansion of the penicillin output by the Jenapharm Institute for Microbiology, a branch of the Schott and Associates Glassworks in Jena, can be cited as an example. The volume of penicillin produced by this plant in 1949 was 12 times that of the previous year. When coupled with the output of the Madaus plant in Radebeul near Dresden, the current penicillin production amounts to 100 times that of 1947. The Jena output alone, which currently amounts to 60 billion Oxford units per month, not only covers the requirements of Soviet Zone Germany but creates a surplus for export. It is also significant that lower production costs have permitted reduction of the retail price to less than one tenth of that of the previous year.

Sufficient quantities of streptomycin, vitamins C and D, and tuberculosis vaccines have been produced by this plant to permit exports of these products. Other pharmaceutical plants have manufactured preparations for treating pernicious anemia, as well as improved prophylactics for the prevention of nose and throat infections. One of the preparations which has been developed by the Thueringen pharmaceutical industry is a remedy for bilious complaints. An enterprise in Erfurt produces a medication for coronary diseases which can also destroy tubercular bacilli. The internationally known Rosodont Plant, currently East Germany's largest soap and cosmetics factory, has developed a toothpaste of proved merit as a preventive for inflammation of the gums.

The plan of the East German chemical industry also includes sizable increases in the production of caustic soda, insecticides, and tannic acid. Large quantities of household chemicals will be made available for export. Among prospective consumers are West European and South American countries. Orders for concentrates and essential oils have been received from Southeast European countries.

Exports of lacquers and dyestuffs have again reached significant volumes. Colored varnishes and lacquers, as well as printing inks, are available in grades and varieties to meet any foreign competition. This is especially true of products based on synthetic resins. Raw material sources for synthetic resin and molded plastic are assured, and East Germany is in a position to export molded plastic materials, die-cast products, and synthetic leather in semifinished or finished form.

Advances made in food chemistry have been of practical value to the food and beverage industry of Soviet Zone Germany. For example, yeast has been used to induce the formation of glycerine in raw materials with a sugar content. A new type of intensified saccharin has been produced from phenol made of brown coal tar. This saccharin leaves no harmful aftereffects, can be used for cooking, and also tends to reduce fever.

A plant in Warnemuende has started production of agar-agar from seaweed taken from the Baltic.

Waste gases resulting from the fermentation of molasses have been used to produce carbonic acid in liquid form. After purification and the removal of flavoring matter, this chemical is comparable with carbonic acid produced from coke. Other plants in Sachsen-Anhalt have taken up the production of pure lecithin from rape and linseed oils.

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